
Program Memorandum Intermediaries/Carriers

Department of Health and
Human Services (DHHS)
HEALTH CARE FINANCING
ADMINISTRATION (HCFA)

Transmittal AB-01-92

Date: JUNE 28, 2001

CHANGE REQUEST 1699

SUBJECT: Use of the American Dental Association's (ADA) Current Dental Terminology-Third Edition (CDT-3) Codes on Medicare Contractors Web Sites

On August 18, 1999, the ADA and HCFA entered into a license agreement regarding computer and print use of CDT-3. Recently the agreement was amended with the intent of including HCFA's Medicare contractors, Medicaid State agencies, State Children's Health Insurance Program (SCHIP), fiscal agents, and managed care organizations participating in Medicaid and/or SCHIP. Additionally, the agreement was modified to provide for Internet and other electronic media use of CDT-3. (Other electronic media meaning disks, tapes, and CD-ROM.)

This Program Memorandum (PM) provides the criteria that must be followed in using CDT-3 codes on your web sites and other electronic media. The agreement and the subsequent amendments follow the format of the HCFA/American Medical Association (AMA) Amendment which was introduced to you via Transmittal AB-00-126 dated December 15, 2000. The actual ADA/HCFA Agreement and its subsequent amendments can be viewed by going to <http://www.hcfa.gov> in the near future.

The following is a summation of the criteria contained in the ADA/HCFA amendments.

- The ADA has developed a publication entitled *Current Dental Terminology, CDT-3/2000*, for use in dental offices for purposes of keeping patient records, reporting procedures on patients, and processing dental insurance claims.
- The ADA owns all rights, title, and interest (including all copyrights and other intellectual property rights) in CDT-3. HCFA, as a licensee of CDT-3, has no proprietary interest in CDT-3.
- HCFA has agreed that in using CDT-3 codes, its Entities must place the copyright notice on certain materials that contain CDT-3 and on certain printouts of CDT-3 nomenclature and descriptors. The copyright notice may not be removed or obscured. On any printouts containing a portion of CDT-3, the parts of CDT-3 must be identified as belonging to the ADA.

The following copyright notice shall appear on the screen or web page including or immediately prior to the initial appearance or display of any CDT-3 codes:

CDT-3/2000 (including procedure codes, definitions (descriptions) and other data) is copyright by the American Dental Association. © 2000 American Dental Association. All rights reserved. Applicable FARS/DFARS apply.

The term of this license agreement, as amended, shall begin on January 8, 2001, and continue through December 21, 2002, under License Number 2002106.

The grant of this initial license is being provided at no charge to HCFA or its Entities.

The ADA reserves the right to modify or change CDT-3 at any time.

HCFA Entities now have the authority to include CDT-3 codes, nomenclature, and descriptors on their web sites, and electronic media in the following documents:

- Local medical review policies;
- Bulletins/newsletters;
- PM and billing instructions;
- Coverage and coding policies;
- Educational/training materials;
- Program Integrity bulletins and correspondence;
- Special mailings containing information that would otherwise be included in the aforementioned publications but due to time constraints require expedited handling;
- Fee schedules;
- Program/policy handbooks or manuals; and
- Computer-based training materials.

The above types of documents should be designed to convey Medicare specific information to providers and others in the program and not CDT-3 coding advice. Documents should not be designed to substitute for the CDT-3 book with respect to CDT-3 codes, “nomenclature,” “descriptors,” notes, and/or guidelines for any user.

Document(s), when sent by Entities to other Federal and State agencies, must include a statement advising the requesting agency that the documents contain CDT-3, which is copyrighted, and that use of CDT-3 is governed by a licensing agreement with the ADA.

Entities may use CDT-3 descriptors in the above identified documents, provided that use of the CDT-3 descriptors does not exceed 15 percent of the total number of CDT-3 descriptors in the defined Category of Service, e.g., Restorative. The 15 percent limitation on the use of CDT-3 descriptors shall not apply if the subsection of CDT-3 has less than 15 CDT-3 codes. There may be other circumstances where the ADA may waive the 15 percent rule. The ADA and HCFA will address requests for waivers on a case-by-case basis. The ADA will respond in writing to any requests for waivers.

CDT-3 “nomenclature” is defined as CDT-3 five-digit identifying code numbers and abbreviated procedural descriptions which are typeset in bold in the ADA’s CDT-3 Users Manual. CDT-3 “descriptors” are defined as CDT-3 five-digit identifying code numbers, nomenclature, and procedural descriptions that include the complete procedural description.

EXAMPLE:	<u>CDT-3 Code</u>	<u>Nomenclature</u>
	D0102	Periodic oral evaluation
	D0102	<u>Descriptor</u>
		An evaluation performed on a patient of record to determine any changes in the patient’s dental and medical health status since a previous comprehensive or periodic evaluation. This may require interpretation of information acquired through additional diagnostic procedures. Report additional diagnostic procedures separately.

For the purposes of calculating the amount of “use” of CDT-3 descriptors as permitted, each distinct document is evaluated separately.

Fee schedules can include CDT-3 codes and nomenclature but not CDT-3 descriptors.

Attached are various examples of formats that can be used to display CDT-3 as directed in the Amendment.

When selected parts of CDT-3 are made available by HCFA Entities on Internet web sites or electronic media, a "point and click" license must be used. This point and click license is similar to the one used when displaying the AMA CPT codes. Point and click license means a license that appears on a computer screen or web page and includes a computer program or web page mechanism that requires users to indicate whether they accept the terms of the license by pointing their cursor and signaling, by clicking, that they accept the terms of the license prior to access to CDT-3. An example of the point and click license is attached.

The point and click license must appear before initial access to any CDT-3 containing pages at the Entities' web site (i.e., before a section of bulletins or local medical review polices (LMRPs)) or prior to each document at the Entity's option and before each file download containing CDT-3.

You must include a point and click license in any electronic media that you distribute to users outside of your organization if such electronic media contains any documentation that includes CDT-3. However, electronic media containing a limited number of CDT-3 codes (i.e., six CDT-3 codes) need not contain a point and click notice. As in the AMA/HCFA Amendment, if you are unable to use a point and click license in electronic media that you distribute to users outside your organization, you may use a shrink-wrap license. An example of the shrink-wrap license is attached.

E-mail communications containing a limited reference to CDT-3 (e.g., six CDT-3 codes) need not contain the copyright notice.

The use of CDT-3 is authorized only for purposes related to participating in HCFA programs. Organizations or Entities that wish to use CDT-3 for other purposes must obtain a license agreement from the ADA. Distribution of materials containing CDT-3 codes or descriptions that are unrelated to HCFA programs or incorporate CDT-3 into commercial products requires a separate license agreement with the ADA.

Dates for Compliance:

Bulletins and newsletters posted on your web site prior to the date of this instruction need not comply with the terms in the Amendment as long as the applicable copyright notice is displayed.

Effective 6 weeks after the date of this instruction, any newly issued or revised information being put on your web site that contains CDT-3 codes must comply with the criteria of the Amendment.

Other documents posted on your web site such as LMRPs prior to the date of this instruction must conform with the requirements of the PM within 12 months.

NOTE: HCFA Medicaid Entities use CDT-3 codes more extensively than HCFA Medicare contractors. However, since this agreement and its amendments apply to HCFA Entities, we wanted to make sure you are aware of the ADA criteria in using CDT-3 codes on your web sites and in other electronic media.

The effective date for this PM is January 8, 2001.

The implementation date for any newly issued or revised information being put on your web site that contains CDT-3 codes is 6 weeks after the instruction is released.

The implementation date for other documents posted on your web site prior to the date of this instruction is 12 months after the instruction is released.

This PM may be discarded after December 31, 2002.

These instructions should be implemented within your current operating budget.

Contractors should contact the appropriate regional office with any questions. Regional office contacts should direct any questions to Patricia Gill (carrier issues) on (410) 786-1297 or Barbara Strickland (intermediary questions) on (410) 786-0508.

Attachments

Sample CDT-3 Descriptor in a Document

Guidelines for administering the dental benefit - Diagnostic Procedures

Clinical oral evaluations are covered diagnostic procedures that must be distinguished from preventive (e.g., dental prophylaxis) procedures. The following CDT procedure code is most common.

D0120 Periodic oral evaluation

An evaluation performed on a patient of record to determine any changes in the patient's dental and medical health status since a previous comprehensive or periodic evaluation. This may require interpretation of information acquired through additional diagnostic procedures. Report additional diagnostic procedures separately.

Periodic evaluation is an eligible procedure. Benefits are limited to twice annually for each covered member. The date of service should be the actual date of the examination.

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Sample CDT-3 Nomenclature In A Fee Schedule

Revised 2001 National Dental Diagnostic Procedures Fee Schedule

<u>CDT-3 Code</u>	<u>Nomenclature</u>	<u>Schedule Amount</u>
D0120	Periodic oral evaluation	40
D0140	Limited oral evaluation- problem focused	50
D0150	Comprehensive oral evaluation	65
D0160	Detailed and extensive oral evaluation – problem focused, by report	100
D0120	Intraoral-complete series (including bitewings)	95
D0220	Intraoral – periapical first film	22
D0230	Intraoral – periapical each additional film	15
D0272	Bitewings – two films	35
D0274	Bitewings – four films	49

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